SUBJECT: Hamilton Heritage Property Grant Program - Tivoli Theatre – 108-114 James Street North (PED09197) (Ward 2)

RECOMMENDATION:

a) That the request for a grant in the amount of $150,000 under the Hamilton Heritage Property Grant Program for stabilization work on the Tivoli Theatre at 108-114 James Street North be denied as the amount requested is in contravention of the Council-approved policy.

b) That if the applicant is prepared to amend their application requesting a grant in the amount of $78,250 that represents 25% of the estimated cost of $313,000 for the stabilization work, staff will endorse the revised amount and recommend that the application as amended be approved in accordance with the terms and conditions of the Hamilton Heritage Property Grant Program.

c) That upon approval of sub-section (b) above staff be authorized and directed to prepare and execute the Letter of Understanding with the applicant with such Letter of Understanding being in a form satisfactory to the City Solicitor.

d) That the total grant with respect to sub-section (b) in the amount of $78,250 be charged to Dept. ID 58201-815025 with funding coming from the Main Street Reserve (101048).

e) That a condition of the grant commitment for the stabilization work be that all building and planning requirements including heritage permits be obtained for the proposed work or the grant will be cancelled.
f) That Report PED09197 be forwarded to the Hamilton Municipal Heritage Committee as information.

EXECUTIVE SUMMARY:

Report PED09197 recommends denial of the application submitted by the Hamilton Ballet Youth Ensemble for a grant under the Hamilton Heritage Property Grant Program in the amount of $150,000 for stabilization work on the Tivoli Theatre. The Council-approved policy sets a maximum grant under the program that represents 25% of the total cost of the redevelopment of the property to a maximum of $150,000 for eligible work. The total estimated cost of the stabilization work is $313,000 therefore the maximum grant is $78,250. Should the applicant be prepared to amend their application requesting a grant in the amount of $78,250 that represents 25% of the estimated cost of the stabilization work, staff would endorse the revised application and recommend approval.

The Hamilton Heritage Property Grant Program is intended to provide financial assistance in the form of a grant based on 25% of the total cost of the regeneration of a property, to a maximum grant of $150,000.00 for eligible work. The program is offered to owners and authorized tenants for: structural/stability work required to conserve and restore heritage features of properties; and, the conservation and restoration of heritage features of properties that are designated under Parts IV or V of the Ontario Heritage Act. Eligible properties must be located within the Downtown Hamilton Community Improvement Project Area or within a Business Improvement Area.

BACKGROUND:

Sub-Section 39.1 of the Ontario Heritage Act states that a Council of a municipality may pass by-laws providing for the making of a grant or loan to the owner of a property designated under Parts IV and V for the purpose of paying for the whole or any part of the cost of alteration of such designated property on such terms and conditions as the Council may prescribe. By-law 07-346 approved by City Council at its meeting held December 12, 2007 authorizes the municipality to offer loans and grants to owners of a property designated under the Ontario Heritage Act. The program description of the Hamilton Heritage Property Grant Program as approved by City Council at its meeting...
held December 12, 2007 sets out the terms and conditions of the program. Originally offered in the Downtown Hamilton Community Improvement Project Area only, Council by resolution at its meeting held February 25, 2009 extended the program to the Business Improvement Areas.

The objective of the program is to assist in the rehabilitation and re-use of heritage properties. City Council values heritage properties as important to the urban revitalization and regeneration of our Downtown Core and Business Improvement Areas. Conservation and restorative initiatives must be consistent with the policies, principles and design themes contained within the Downtown Hamilton Secondary Plan, relevant Urban Design Guidelines, regulations contained within the Zoning By-law as well as any other applicable City Council approved policies/regulations.

City Council at its meeting held August 7, 2008 approved a grant in the amount of $20,000 under the study/assessment component of the Heritage Program for the development of a feasibility study of the rehabilitation of the Tivoli Theatre. The study identified feasible and desirable reuse(s) for the Theatre. Consequently the Canadian Ballet Youth Ensemble hired a consultant to prepare a Stabilization Report that would identify work required in assisting in reducing the speed of deterioration of the remains of the Theatre during an interim period while the larger redevelopment project is under consideration and the capital campaign has raised sufficient funds to redevelop the Theatre. The stabilization report confirms that the building has undergone more deterioration during the past winter with the primary source of deterioration being the entry of water from the roof which is finding its way into the building, and the action of frost. The combination of freezing and thawing in the damp conditions is rapidly deteriorating plaster and paint finishes as well as the fundamental masonry structure.

The former City of Hamilton designated the Tivoli Theatre complex under Part IV of the Ontario Heritage Act in 1990, (By-law 90-255) and the Auditorium interior in 2004 (By-law 04-256). Built originally as a carriage factory in 1875 with frontage on James Street North, the structure was converted in 1908 to theatrical use. A succession of theatres (The Wonderland, 1908; The Colonial, 1910-12; and The Princess, 1913-23) occupied space in this building, the bulk of which was transformed into the new lobby area of a rejuvenated and redeveloped Tivoli Theatre in 1924. As part of the newly named theatre in 1924, the building was substantially enlarged with the addition of an auditorium at the rear to accommodate the new entertainment venue.

In late June 2004, the 1875 carriage factory portion of the Tivoli Theatre complex suffered structural failure of its south façade. City Council at its meeting held September 15, 2004 approved a demolition permit for the remnant carriage factory portion of the complex, excluding the 1908 lobby portion. The partial demolition of the carriage factory portion was required to stabilize the building and render it safe and secure. The stabilization process also involved removal of the designated James Street west façade and a number of architectural features including: round-arched windows with two-over-two sash windows and ornate moulded surrounds, gabled dormer window and the tall mansard-roofed tower convex-shaped, corner tower with narrow, paired arched dormers surmounted by circular windows and a bracketed cornice.
ANALYSIS/RATIONALE:

Historic buildings bring character and opportunity to the Downtown landscape. Re-using the buildings is one of the strategies that have been driven by the Downtown Secondary Plan.

In the course of its history, the building at 108-114 James Street North has served many different uses: a carriage works (until 1901), a bowling alley on the second floor (1908-1964), various restaurants and retail businesses at street level (Union Furniture Co.) and of particular significance, a succession of theatres, all located in the space which became the lobby of the Tivoli Theatre, and finally the Tivoli itself. Preserving the architectural history of this building is important to the historic fabric of the Downtown Core.

A Stabilization Plan supervised by specialized preservation consultants for the theatre’s historic stature has been developed. Implementation of the stabilization work must be undertaken to reduce the speed of deterioration of the remains of the Theatre. Any work that will alter or is likely to affect the remaining original architectural features of the lobby and auditorium including the ceilings, proscenium, colonnades, statuary and other decorative wall elements identified in the Reasons for Designation will require approval of a heritage permit prior to proceeding.

Project Recommended for Funding Commitment

<table>
<thead>
<tr>
<th>Property</th>
<th>Grant for Building</th>
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<tbody>
<tr>
<td>108-114 James Street North</td>
<td>$78,250</td>
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Prior to June 2004
The first photo shows the Tivoli Theatre in 2001 prior to the structural failure and resultant partial demolition. The second photo shows the interior of the auditorium. Appendix ‘A’ to Report PED09197 identifies the location of 108-114 James Street North.

The owner has applied for funding under the Heritage Program to undertake stabilization work on the property that includes:

1. Masonry construction and repairs;
2. Roofing;
3. Installing electrical service in the building; and,
4. Removal of asbestos and mould abatement.

The total cost of the stabilization work is estimated at $313,000.
ALTERNATIVES FOR CONSIDERATION:

Staff cannot support the application requesting a grant in the amount of $150,000 submitted by the Canadian Ballet Youth Ensemble as the amount exceeds the Council-approved policy of a maximum grant being based upon 25% of the total cost of the redevelopment. The estimated cost of the stabilization work is $313,000 therefore 25% would represent a grant of $78,250.

Council could approve a grant in the amount of $150,000 in recognition that the Tivoli Theatre’s auditorium is the only designated auditorium in the Downtown Core. However a consequence of approving a grant amount that is contrary to a Council policy would set a precedent for similar requests being forwarded under the Heritage Grant Program and other financial incentive programs.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

Financial: Funding for the grant is contained in the Main Street Reserve (102048).

Staffing: Administration of the Hamilton Heritage Property Grant Program can be accommodated within the Downtown and Community Renewal Division and Community Planning and Design Section of the Planning and Economic Development Department as well as the Corporate Services Department.

Legal: Review of all documentation associated with each grant will be appropriately undertaken by the City Solicitor to meet the customer’s needs while protecting the City’s interests.

POLICIES AFFECTING PROPOSAL:

The Hamilton Downtown Secondary Plan contains objectives to retain and enhance the historic fabric of Downtown Hamilton. Administering the Hamilton Heritage Property Grant Program is consistent with that objective and direction of the Hamilton Downtown Secondary Plan.

RELEVANT CONSULTATION:

Staff from the Community Planning and Design Section of the Planning and Economic Development Department and Corporate Services Department were consulted on the recommendations included in Report PED09197.
CITY STRATEGIC COMMITMENT:

By evaluating the “Triple Bottom Line”, (community, environment, and economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Community Well-Being is enhanced. ☑ Yes ☐ No
Partnerships are promoted through the implementation of the Hamilton Downtown Heritage Property Grant Program.

Environmental Well-Being is enhanced. ☑ Yes ☐ No
The initiatives help to improve the quality of life of the residents. The rehabilitation of the building stock and the development of properties in the Downtown make efficient and effective use of City services and protect human health and safety.

Economic Well-Being is enhanced. ☑ Yes ☐ No
Investment in Hamilton is enhanced and supported. Downtown Renewal programs lead to effective partnerships with community stakeholders and the development community. Developers and property owners invest in Downtown properties leading to property assessment increases through the rehabilitation of buildings and properties.

Does the option you are recommending create value across all three bottom lines? ☑ Yes ☐ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants? ☑ Yes ☐ No
Hamilton continues to lead initiatives related to renewal. Such initiatives are professionally rewarding and attract high performing public servants with an interest in improving community life.

HM: dkm
Attach. (1)